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Discussion of substantive issues related to international cooperation in tax matters: other issues

Update of the handbook on extractive industries taxation issues for developing countries

Note by the Secretariat

1. The Committee of Experts on International Cooperation in Tax Matters developed, and finalized in substance in 2017, through a subcommittee dedicated to the issue, a handbook on selected issues in the taxation of the extractive industries for developing countries, designed to highlight specific areas of interest for developing countries and give guidance on some issues that they could usefully bear in mind when negotiating new contracts for exploration for and exploitation of natural and mineral resources within their jurisdiction.

2. The handbook covers the following topics:

(a) Overview of extractive industries taxation issues;

(b) Fiscal take;

(c) Permanent establishment issues for the extractive industries;

(d) Indirect transfer of assets;

(e) Tax aspects of negotiation and renegotiation of contracts;

(f) Transfer pricing issues in the extractive industries;

(g) Value-added tax in the extractive industries;

(h) Tax treatment of decommissioning for the extractive industries.

3. The handbook is undergoing final editing by the Secretariat and its authors. While that work has proved more difficult than expected and has taken longer than originally intended, it is expected to conclude in time to allow the handbook to be published electronically in May 2018, on the occasion of the sixteenth session of the Committee, with production in book form to follow thereafter.

* E/C.18/2018/2.

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